



Punjab Government Gazette

EXTRAORDINARY

Published by Authority

CHANDIGARH, THURSDAY, SEPTEMBER 17, 2020 (BHADRA 26, 1942 SAKA)

GOVERNMENT OF PUNJAB

Department of Industries and Commerce

(Policy Implementation Unit)

CORRIGENDUM

The 16th September, 2020

No. PIU/IBDP-2017/OG-2018/2020/3527.-The Governor of Punjab is pleased to make following amendments in Clause 16.3, 16.4, 16.5 and 16.6 of Chapter-16 of Detailed Schemes & Operational Guidelines, 2018 notified vide No. PIU/IBDP-2017/2018/4010 dated 07.08.2020 for scheme for providing incentives to start-ups under Industrial & Business Development Policy, 2017:-

Clause	Existing Clause under Detailed Schemes & Operational Guidelines, 2018	Amended Clause
16.3	Start-up Registration The registration by a start-up entity for recognition can be done online by simply filling a Start-up Registration Form and giving self- certification for the following set of documents: Sr. no. (i) remains same. (ii). Self-certification for Start-up definition: <ul style="list-style-type: none"> • Date of incorporation / registration of entity is not prior to seven years, however for Biotechnology Startups not prior to ten 	Start-up Registration The registration by a start-up entity for recognition can be done online by filling a Start-up Registration Forms STA (for Provisional Registration) or STB (Registration) which would be processed as per procedure defined in clauses 16.4 and 16.5 below and giving self-certification for the following set of documents: (ii) Self-certification for Start-up definition (As amended by DPIIT, Government of India from time to time): <ul style="list-style-type: none"> • Upto a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited

years

- The entity's annual turnover does not exceed Rs.25 crore, for any preceding financial year
- The entity is not an extension of the existing family business; or formed by splitting up or reconstruction of a business already in existence.

- (iii). Self-Certification for Proof of innovation:
- DIPP Start-up India recognition certificate; OR

16.4 Procedure for Processing of Application for Recognition

- (i) The start-up entity will have to submit its application online in the Start-up Registration Form on the web portal.
- (ii) The application shall be forwarded to the concerned nodal agency.
- (iii) Nodal agency may schedule a call or a meeting with the start-up entity, if it deems necessary. The Nodal agency will then send its report on the proposal with recommendations for its acceptance or rejection.
- (iv) All such applications will be collated with the recommendations of Nodal Agency and will present to the Start-up Coordination Committee for consideration and final approval/ recognition/ certification of Start-up Unit

company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a limited liability partnership (under the Limited Liability Partnership Act, 2008) in India.

- **Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crore rupees.**
- **Entity is working towards innovation, development or improvement of products or processes or services, or if it is a scalable business model with a high potential of employment generation or wealth creation.**

Provided that an entity formed by splitting up or reconstruction of an existing business shall not be considered a 'Startup'.

- (iii) Self-Certification for Proof of innovation:

- **DPIIT Start-up India recognition certificate; OR**

Procedure for Processing of Application for Provisional Registration

- (i) The start-up entity will have to submit its application **form ST-A** online in the Start-up Registration Form on the web portal.
- (ii) **After initial scrutiny of the ST-A form, on line Provisional Registration certificate will be issued.**

16.5(a) Addition of point (a) under Clause 16.5**Combined Procedure for Registration and availing Financial Assistance**

- (i) The start-up entity will submit its application form ST-B for Registration and SF-Seed Funding financial assistance form, if the start up opts for availing seed funding financial assistance, otherwise case will be processed only for Registration. Other financial assistance forms like IS-Interest Subsidy and Start-Lease Rental Subsidy, which are payable annually subject to the limit as defined in Industrial and Business Development Policy 2017, can be filled as and when accrued at the end of the year as per procedure defined under 16.5(b).
- (ii) After initial scrutiny of all the application forms and requisite documents by the start-up cell, it will be forwarded to concerned nodal agency. Meanwhile Provisional Registration certificate will be issued.
- (iii) The Nodal agency will review the application forms and assistance forms of the startup entity and will forward its recommendations both for Registration as well as financial assistance (if applied for by the Start-up) within next 2 weeks of receipt of such application to the Start-up Coordination Committee. Nodal agency may schedule a call or a meeting with the startup entity, if it deems necessary.
- (iv) The recommendations of the nodal agency will be put up before the Start-up Coordination Committee.
- (v) The Start-up Coordination Committee may call the applicant for a presentation or any clarification in relation to either eligible activity or the cost marked against the eligible activity, or any of its components.
- (vi) After the approval of the Start-up Coordination Committee w.r.t Registration of the start-up, Registration certificate will be issued by the Start-up Cell.

(vii) **Start-up Coordination Committee will also record its recommendations concerning financial assistance to the start-up, if applied for, by the Start-up.**

(viii) **The recommendations of Start-up Coordination Committee concerning financial assistance to the start-up will be put up to the State Level Committee for considering sanction of fiscal incentives to the Registered startups.**

(ix) **Financial sanction with regard to the concerned financial assistance (seed funding in this case) will be issued after the approval by the State Level Committee for the fiscal incentives to the registered startups.**

(x) **All the financial assistance approved by the State level committee shall be disbursed according to the procedure defined in the Detailed Schemes and Operational Guidelines- 2018.**

16.5(b) Procedure for availing assistance

- (i) The applicant, once recognised, shall apply in the application form specified as perform ST1 on the web portal for availing assistance for setting of start-up.

Sr. no.(ii) remains same.

- (iii) The Nodal agency will review the application of the startup entity and will share its review within next 2 weeks of receipt of such application. Nodal agency may schedule a call or a meeting with the startup entity, if it deems necessary.

Procedure for availing assistance by Registered startups

- (i) **The applicant, once registered, will select the required financial assistance forms, i.e. IS-Interest Subsidy, Start- Lease Rental Subsidy, SF-Seed Funding, for availing financial assistance on the web portal in respective forms. Financial assistance forms like IS-Interest Subsidy and Start-Lease Rental Subsidy, which are payable annually subject to the limit as defined in Industrial and Business Development Policy 2017, can be filled as and when accrued at the end of the year.**

- (iii) The Nodal agency will review the application of the startup entity and will share its **recommendations** within next 2 weeks of receipt of such application. Nodal agency may schedule a call or a meeting with the startup entity, if it deems necessary.

Sr. no.(iv) to (vii) remains same.

(viii) The interest subsidy shall be sanctioned and disbursed according to the procedure mentioned at clause 13.1. For the lease rental subsidy, the eligible entrepreneurs shall submit their applications on the prescribed Form - Start. For availing seed funding the eligible start-up will submit their application on the prescribed Form SF.

Addition of Sr. no. (ix) under Clause 16.5 (b).

(viii) Financial sanction with regard to the concerned financial assistance will be issued after the approval by the State Level Committee for the fiscal incentives to the registered startups.

(ix) All the financial assistance approved by the State Level committee shall be disbursed according to the procedure defined in the Detailed Schemes and Operational Guidelines- 2018.

16.6	Sr. No.2 of the Table under heading Disbursement Schedule the word ' <i>Quarterly</i> ' has been replaced by ' <i>Yearly</i> '.	2	Lease Rental Subsidy	Yearly on submission of proof of payment.	Reimbursement on actual subject to ceiling.
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The 14th September, 2020

ALOK SHEKHAR, IAS
Principal Secretary to Govt. of Punjab,
Department of Industries and Commerce.